

State fights Qwest on rate boost

By Max Jarman
The Arizona Republic

A battle is shaping up between Qwest Communications International and state regulators over a \$2.99 a month surcharge the local phone company plans to tack on to long-distance bills starting Oct. 1.

Qwest announced the fee to its estimated 1 million Arizona long-distance customers earlier this month without seeking approval from the Arizona Corporation Commission.

Qwest says it is an interstate fee and falls outside the commission's authority.

Commissioner Kris Mayes took issue, writing in a recent letter to Qwest Arizona President Pat Quinn that the fee affects in-state long-distance charges, over which the commission has authority.

"It appears that any rate increases to your Qwest Choice Long Distance plan would have to be brought before the ACC," Mayes wrote.

Commissioner Bill Mundell expects the jurisdictional issue to be taken up in hearings on a proposed truth-in-billing rule. The rule, still being developed, could require companies to treat bill add-ons as rate increases. Often, such add-ons are not included in advertised rates. The fees are a 99-cent "interstate services fee" and a \$2 "MRC," a monthly recurring charge.